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EXAMINER

JANVIER, JEAN D

ART UNIT	PAPER NUMBER
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3622

DATE MAILED: 08/26/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/813,574

Applicant(s)

WEATHERFORD ET AL.

Examiner

Jean D Janvier

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 22 March 2001.
2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-24 is/are pending in the application.
4a) Of the above claim(s) _____ is/are withdrawn from consideration.
5) ☐ Claim(s) _____ is/are allowed.
6) ☒ Claim(s) 1-24 is/are rejected.
7) ☐ Claim(s) _____ is/are objected to.
8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

Specification

Status of the claims

Claims 1-24 are currently pending in the Instant Application.

Claim Objections

Claims 1, 12-13 and 20 are objected to because of the following informalities:

Concerning claim 1, "...a merchant credit/debit card identifier ..." is interpreted as --a merchant's identifier--.

Concerning claim 12, the limitations recited therein are broadly interpreted because when a merchant forwards a customer's transaction data to a clearinghouse or fulfillment center, the merchant's identifier is also transmitted to the fulfillment center to thereby identify the POS where a cash or credit/debit card transaction was conducted by the customer.

Concerning claim 13, line 9, "...a issuer/merchant..." should apparently be --... an issuer/merchant...--.

Concerning claim 20, lines 18-19, "calculating a rebate amount from said

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purchase amount of said issuer/merchant sorted transactions group” is interpreted as -- calculating or determining, following a clearing process, a rebate amount from a credit/debit card purchase transaction conducted by a customer at a participating merchant--.

Appropriate correction is required.

Substantially Duplicate Claims

Claim 24 is objected to under 37 CFR 1.75 as being a substantial duplicate of claim 21. Except for the introduction of the adjective **particular** in claim 21, the two claims are virtually identical. When two claims in an application are duplicates or else are so close in content that they both cover the same thing, despite a slight difference in wording, it is proper after allowing one claim to object to the other as being a substantial duplicate of the allowed claim. See MPEP § 706.03(k).

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and

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discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof."

Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using

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the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on

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statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*.

However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

Claims 1-12, 13-19 and 20-24 are rejected under 35 U.S.C. 101 because the claimed invention is directed to a non-statutory subject matter. In fact, the process or steps disclosed in independent claims 1, 13 and 20 pertain to a manual process and therefore, the claims do not fall within the technological art. For example, the steps or process of **providing a merchant.... and identifying by said**, as recited in claim 1, should be implemented via a device, such as a computer system, a computer database, a data communication network, computer network, the Internet and so and so forth. Further, claims 13 and 20 suffer from the same deficiencies and are rejected under a similar rationale.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless -

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-24 are rejected under 35 U.S.C. 102(e) as being anticipated by Quinlan, US Patent 6, 748, 365B1.

As per claims 1-24, Quinlan discloses a system and method for processing product marketing rebate claims submitted by a consumer in satisfaction of a rebate offer, the consumer having purchased designated or required products in a qualified transaction recorded by a participating point-of-sale (POS) data processing and storage system that issues a receipt containing a corresponding transaction serial number or identifier (linking a purchase identifier to a purchase of a product). The method further comprises the steps of providing a designated site of a computer information network accessible by the consumer for placing a rebate claim and receiving the rebate claim on the designated site. The rebate claim includes receiving the transaction serial number corresponding to the

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qualified transaction (linking a purchase identifier to a product purchase related to the rebate claim), and identifying or verifying information corresponding to the consumer (validation or authentication process). The transaction serial number and the identifying information are stored as permanent data records. Moreover, an electronic file transfer is received from the point-of-sale data processing and storage system comprising purchase data records, each record comprising the list of products purchased and the transaction serial number for a qualified transaction in which at least one designated product was purchased (Receiving by a sorting facility from a merchant's computer system a customer's transaction data including at least a required product identifier, a merchant's identifier identifying the merchant, method of payment such as cash or credit/debit card payment....). Each stored data record is associated with a purchase data record having an identical serial number and the records are processed to validate the rebate claim (validating, authenticating or verifying step). The value of the offer is transferred to the consumer. Consumer access to the designated site, where a rebate claim is made by the consumer, may be via the global computer information network (Internet) or by telephone. The providing of the rebate to the consumer, subsequent to a rebate claim, may also optionally integrate paper-based and smart/credit/debit-card-based rebate claims (See abstract).

The above method may also be modified to allow at least one consumer to transmit information, associated with a rebate claim, to the designated site (sorting facility) over a global computer information network whereas at least one other consumer completes and mails a paper form, related to a rebate claim, to a fulfillment housing (sorting facility) administered by the fulfillment administrator and makes a rebate claim

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by providing the serial number of the qualified transactions and personal information on the paper form. The fulfillment administrator, upon receipt of the paper form, accesses the designated site of the global computer information network, enters and transmits to the designated site the other consumer's personal information and the serial numbers corresponding to the other consumer's qualified transactions, and stores as a stored data record the personal information and the serial numbers transmitted by the other consumer (Col. 5: 29-43).

In a further embodiment, at least one consumer may purchase the one or more designated products using a smart card having a card number and a computerized data storage means, at which time the transaction serial number is stored as computerized data on the smart card computerized data storage means. The consumer can then enter the one or more transaction serial numbers and the personal information by using a smart card reader to automatically download the computerized data representing the stored transaction serial number and the card number from the smart card, which is inserted into a card reader. In such case, the card number comprises the personal information identifying the consumer. The fulfillment administrator then transfers the cash value of the rebate claims to the consumer by crediting the smart card, following a rebate calculation or determination (crediting the consumer's account with the rebate value related to the claim or electronically transferring the rebate value to the consumer's smart card memory- col. 5: 44-57).

In another embodiment, the consumer may purchase the designated product using a designated card such as a credit/debit card having a corresponding credit account, a

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debit card having a corresponding bank or debit account, or a smart card having computerized data storage means. The designated card is sponsored by the retail network and has a card number. In such case, a fulfillment (sorting facility) administrator receives, when the consumer mails the rebate to a fulfillment house, in the electronic file transfer from a merchant's POS system (a store computer) at least one transaction data record comprising the designated card number and the corresponding serial number for the qualified transaction, [REDACTED] merchant's POS identifier, etc. The fulfillment administrator already has on file a stored data record comprising personal information about each consumer indexed by the designated card number (including a merchant's identifier identifying a participating merchant), so the fulfillment administrator then associates the transaction data record with the corresponding stored data record for the designated card number. The stored data record is updated with the transaction serial number, and the remainder of the method remains the same, **except that the calculated cash value of the rebate claims may be credited to the consumer by crediting the corresponding credit account, the debit or bank account, or the smart card (forwarding electronic transfer of calculated cash rebate value, related to a rebate claim, to the consumer's account).** The above data entry method using the designated card for data entry and transmission to the dedicated site may be integrated with the data entry and paper form data entry methods. The consumer may also receive, subsequent to claiming a rebate, a check having a value equal to the value of the determined rebate (col. 5: 58 to col. 6: 56; col. 7: 33-45).

See in general col.7: 66 to col. 8: 36; col. 9: 18-38.

Moreover, the rebate value related to a rebate claim, following a validation or clearing process, is electronically transferred to the consumer's credit card or debit card account number, established at a bank, or to the memory of the consumer's smart card (automatically notifying or sending a signal to a credit/debit card issuer (system) of a rebate amount upon electronically transferring the determined rebate amount to a customer's credit/debit card account maintained at a bank subsequent to receiving by a clearinghouse the customer's rebate claim from the customer or from the merchant's POS system). Indeed, use of the designated card by the consumer, in particular a card issued by the fulfillment administrator acting as an umbrella for a large retail network of otherwise unrelated retailers, **may trigger automatic access of the designated site, used for electronic rebate claim submission, on behalf of the consumer.** Thus, for a consumer using a designated card, the consumer may automatically make a claim for any product purchased with the card. Such automatic access may occur from the POS data processing and storage system without further action by the consumer, as shown in FIGS. 5 and 6, (automatic claim submission at a POS). In the case of a smart card, which has data storage capacity on the card, the smart card may instead receive and store data from the POS system, such as the transaction serial number, and the consumer may then access the designated site in step 110, as shown in FIG. 2, and automatically enter the serial number data and personal information in step 120 via insertion of the smart card in a card reader/writer. The data may then be uploaded to the designated site without manual entry through a browser by the consumer. If the consumer has a refund waiting at the designated site to be credited to his card from a previous rebate claim submission, the

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credit can also be written to the card while during such a procedure (col. 14: 66 to col. 15: 53).

Further, a consumer may be able to use his or her card at any of several authorized retail establishments **to automatically receive refunds credited to his or her account or downloaded to his smart card memory regardless of at which retailer the qualified product was purchased**. Cash values related to pending or previously submitted rebate claims can be electronically transmitted to the memory of the consumer's smart card when the card is involved in a transaction at a member or participating POS. Thus, for instance, when a smart card 292 of fig. 3 is credited or debited by a participating retailer who offers the coordinated rebate program, the cash value may be transferred to the retailer who can then credit the consumer from the point-of-sale or POS system 210 of fig. 3 during the next visit. It should further be recognized here that the cash value or credit transferred to the retailer's POS system for later upload to the consumer's smart card memory should indeed include at least the transaction code or serial number or purchase identifier related to the previously submitted rebate claim such that all parties involved in the transaction are notified that the transferred credit is associated with a particular transaction identifier and appropriate records are kept **(silently or implicitly notifying a particular merchant (POS) of a rebate amount corresponding to a specific transaction serial number or purchase identifier and related to an identified customer, wherein the rebate amount is electronically transmitted to the merchant's POS and subsequently uploaded to the customer's smart card memory during a future transaction).**

See col. 16: 52 to col. 17: 10; col. 18: 30-54; col. 19: 57 to col. 20: 2.

In a further embodiment, retailers may enjoy a reduction in fraudulent activity. Because the individual serial numbers for each qualified transaction are unique, a fraudulent consumer cannot just manufacture any authentic-looking cash register receipt and successfully claim a rebate. Similarly, because the standard serial number issued by POS systems known in the art is also entered during returns of items, consumers purchasing a rebatable item, returning it, and still trying to claim a refund will be identified by the serial number of the transaction. Even if a consumer were to receive the check and then return the item after having check-in-hand, that consumer can be identified as someone who has fraudulently claimed a rebate once, and thus can be entered into the fraud checking database for the next time (checking to see if the product was previously returned- Col. 19: 41-55).

Finally, in its most basic form, the invention comprises a method for processing a rebate claim including receiving from a consumer the transaction serial code of the transaction during which he rebate item was purchased, and then matching that code with a data record containing that code and the list of rebate products purchased, as provided by the point-of-sale data processing system. The transaction serial code may be received via access to a global computer information system, by telephone or through a computer such as a home computer, used by the consumer, or a kiosk, via direct telephone access or direct computer access, or by a paper mailing. **An e-mail containing the transaction serial code or purchase identifier could also be sent to a designated e-mail address of**

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the designated network site without navigating the Internet through a browser Col.

20: 61 to col. 21:7).

Conclusion

The following references, although not officially used, are considered to be highly relevant.

US Patent 6, 332, 126 to Pierce discloses a system and method for a targeted payment system discount program.

US Patent 6, 450, 407B1 to Freeman discloses a method and system for providing advertisement information and electronic rebate or credit to a consumer for reading the an advertisement and for buying a product featured in the advertisement, wherein the advertisement information and the electronic rebate information (cash or financial reward) are transferred to the consumer's handheld device or chip card memory over a plurality of communication channels or communication means (or networks) including the Internet and wireless means (wireless networks) (col. 6: 2 to col. 7: 59; fig. 3; col. 9: 11-18). In general, once a rebate is stored in the memory of the chip card, the consumer can then take the chip card to a participating POS, where it can be used (redeemed) during a synchronization process with the POS terminal. Indeed, rebates are conveyed or provided to the consumer by communication from the advertisement information provider to the customer's chip card memory via a multiplicity of possible channels or

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communication means including a personal computer, a portable chip card reader, a **point-of-sale (POS) terminal, a handheld device, a home or business telephone, a vending machine, a cellular phone, a pager, a mass transportation payment station, a television and/or television set-top box or an automated teller machine (ATM).**

Any inquiry concerning this communication from the Examiner should be directed to Jean D. Janvier, whose telephone number is (703) 308-6287). The aforementioned can normally be reached Monday-Thursday from 10:00AM to 6:00 PM EST. If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's Supervisor, Mr. Eric W. Stamber, can be reached at (703) 305- 8469.

For information on the status of your case, please call the help desk at (703) 308-1113. Further, the following fax numbers can be used, if need be, by the Applicant(s):

After Final- 703-872-9327

Before Final -703-872-9326

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JDJ

08/19/04

Janner Jean Roho